

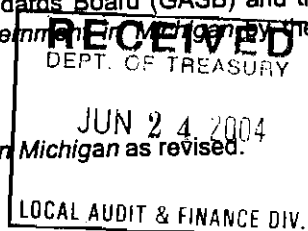
**MONROE TOWNSHIP**  
**NEWAYGO COUNTY, MICHIGAN**  
**AUDIT REPORT**  
**MARCH 31, 2004**

# AUDITING PROCEDURES REPORT

Issued under P.A. 2 of 1968, as amended. Filing is mandatory.

Local Government Type <input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name <b>MONROE TOWNSHIP</b>	County <b>NEWAYGO</b>
Audit Date <b>MARCH 31, 2004</b>	Opinion Date <b>MAY 25, 2004</b>	Date Accountant Report Submitted to State: <b>June 20, 2004</b>	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan by the Michigan Department of Treasury.



We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan*.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ yes ☒ no 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ yes ☒ no 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☒ yes ☐ no 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ yes ☒ no 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ yes ☒ no 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ yes ☒ no 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ yes ☒ no 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ yes ☒ no 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ yes ☒ no 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

## We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.	X		
Reports on individual federal financial assistance programs (program audits).			X
Single Audit Reports (ASLGU).			X

Certified Public Accountant (Firm Name) <b>TERRY KIRKPATRICK, CPA, PC</b>			
Street Address <b>211 MAPLE STREET</b>	City <b>BIG RAPIDS</b>	State <b>MI</b>	ZIP <b>49307</b>
Accountant Signature <i>Terry D Kirkpatrick CPA</i> <b>6-12-04</b>			

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**TERRY KIRKPATRICK, CPA, P.C.**  
CERTIFIED PUBLIC ACCOUNTANT

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BIG RAPIDS, MICHIGAN 49307-0817  
(231) 796-3332  
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**Independent Auditor's Report**

May 25, 2004

To the Honorable Supervisor and Members of the Township  
Board of the Township of Monroe, Newaygo County, Michigan:

We have audited the general purpose financial statements of the Township of Monroe, Newaygo County, Michigan as of and for the year ended March 31, 2004 as listed on the contents page. These general purpose financial statements are the responsibility of management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

Except as discussed in the following paragraph, we conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement for presentation. We believe that our audit provides a reasonable basis for our opinion.

The scope of our audit did not include verification of the fund balances at April 1, 2003.

In our opinion, except for the effects of such adjustment, if any, as might have been determined to be necessary had we been able to determine the validity of beginning fund balances, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Township of Monroe, Newaygo County, Michigan. This additional information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

*Terry Kirkpatrick, CPA, P.C.*

Monroe Township – Newaygo County, Michigan  
Combined Balance Sheet  
All Fund Types and Account Groups  
March 31, 2004

	Governmental		Fiduciary		Account	Totals
	Fund Types		Fund Type	Group	(Memorandum	
	General	Special	Current	General	Only)	
		Revenue	Tax	Fixed Assets		
ASSETS						
Cash in Bank - Checking	\$ 49,451	\$ 54,461	\$ 3,266	\$ 0	\$ 107,178	
Due from Current Tax Fund	3,266	0	0	0	3,266	
Due from Newaygo County	1,308	3,199	0	0	4,507	
Land	0	0	0	300	300	
Building - Township Hall	0	0	0	25,931	25,931	
Building - Cemetery	0	0	0	481	481	
Office Equipment	0	0	0	4,224	4,224	
Machinery and Equipment	0	0	0	2,562	2,562	
Voting Booth	0	0	0	184	184	
Total assets	\$ 54,025	\$ 57,660	\$ 3,266	\$ 33,682	\$ 148,633	
LIABILITIES AND FUND EQUITY						
Payroll Taxes Payable	\$ 317	\$ 0	\$ 0	\$ 0	\$ 317	
Due to General Fund	0	0	3,266	0	3,266	
Investment in General Fixed Assets	0	0	0	33,682	33,682	
Fund Balance	53,708	57,660	0	0	111,368	
Total liabilities and fund equity	\$ 54,025	\$ 57,660	\$ 3,266	\$ 33,682	\$ 148,633	

The "Notes to Financial Statements" are an integral part of these statements.

# Monroe Township – Newaygo County, Michigan

Combined Statement of Revenues, Expenditures and Changes in Fund Balance – All Governmental Fund Types  
For the Year Ended March 31, 2004

	<u>Governmental Fund Types</u>		<u>Totals</u>
	<u>General</u>	<u>Special Revenue</u>	<u>(Memorandum Only)</u>
<b>REVENUES</b>			
Taxes	\$ 12,337	\$ 23,821	\$ 36,158
Licenses and Permits	520	0	520
State Grants	24,211	0	24,211
Charges for Service	0	2,000	2,000
Interest and Rents	386	0	386
Other Revenues	2,333	926	3,259
Total revenues	<u>39,787</u>	<u>26,747</u>	<u>66,534</u>
<b>EXPENDITURES</b>			
Legislative	2,826	0	2,826
General Government	18,182	6,190	24,372
Public Safety	1,747	11,005	12,752
Public Works	0	5,400	5,400
Other Functions	5,787	0	5,787
Total expenditures	<u>28,542</u>	<u>22,595</u>	<u>51,137</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>11,245</b>	<b>4,152</b>	<b>15,397</b>
<b>FUND BALANCE - April 1, 2003</b>	<b>42,463</b>	<b>53,508</b>	<b>95,971</b>
<b>FUND BALANCE - March 31, 2004</b>	<b>\$ 53,708</b>	<b>\$ 57,660</b>	<b>\$ 111,368</b>

The "Notes to Financial Statements" are an integral part of these statements.

**Monroe Township – Newaygo County, Michigan**  
**Combined Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual –**  
**All Annually Budgeted Governmental Fund Types**  
**For the Year Ended March 31, 2004**

	<u>General Fund</u>		<u>Variance</u>		<u>Special Revenue Funds</u>		
	<u>Budget</u>	<u>Actual</u>	<u>(Unfavorable)</u>	<u>Favorable</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
<b>REVENUES</b>							
Taxes	\$ 9,680	\$ 12,337	\$ 2,657		\$ 24,736	\$ 23,821	\$ (915)
Licenses and Permits	0	520	520		0	0	0
State Grants	20,000	24,211	4,211		0	0	0
Charges for Service	0	0	0		0	2,000	2,000
Interest and Rents	0	386	386		0	0	0
Other Revenues	4,200	2,333	(1,867)		0	926	926
Total revenues	33,880	39,787	5,907		24,736	26,747	2,011
<b>EXPENDITURES</b>							
Legislative	3,350	2,826	524		0	0	0
General Government	18,261	18,182	79		7,232	6,190	1,042
Public Safety	1,860	1,747	113		12,000	11,005	995
Public Works	0	0	0		5,700	5,400	300
Other Functions	7,400	5,787	1,613		0	0	0
Total expenditures	30,871	28,542	2,329		24,932	22,595	2,337
<b>EXCESS OF REVENUES OVER</b>							
<b>(UNDER) EXPENDITURES</b>	3,009	11,245	8,236		(196)	4,152	4,348
FUND BALANCE - April 1, 2003	42,463	42,463	0		53,508	53,508	0
FUND BALANCE - March 31, 2004	\$ 45,472	\$ 53,708	\$ 8,236		\$ 53,312	\$ 57,660	\$ 4,348

The "Notes to Financial Statements" are an integral part of these statements.

***NOTES TO FINANCIAL STATEMENTS***



NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

In accordance with generally accepted accounting principles and Governmental Accounting Standards Board (GASB) Statement No. 14 "The Financial Reporting Entity", these financial statements present Monroe Township. The criteria established by the GASB for determining the reporting entity includes oversight responsibility, fiscal dependency, and whether the financial statements would be misleading if data were not included.

Basis of Presentation

The accounts of the Township are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded in those funds.

The financial activities of Monroe Township are recorded in separate funds and account groups categorized as follows:

GOVERNMENTAL FUNDS

General Fund

This fund is used to account for all financial resources except those provided for in another fund. Revenues are primarily derived from property taxes, State and Federal aid, and charges for services to provide for the administration and operation of: (1) general local governmental departments and boards and commissions, (2) court systems, (3) law enforcement and (4) health, welfare and medical assistance. The fund includes the general operating expenditures of the local unit.

Special Revenue Funds

These funds are used to account for specific revenue (other than expendable trusts or major capital projects) derived from State and Federal grants, General Fund appropriations and charges for services which are to be expended for specific purposes as dictated by legal, regulatory or administrative requirements.

FIDUCIARY FUNDS

Trust and Agency Funds

These funds account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. These include: (a) Expendable Trust Funds; (b) Nonexpendable Trust; (c) Pension Trust Fund; and (d) Agency Funds.

## Monroe Township – Newaygo County, Michigan

Notes to Financial Statements - continued

For the Year Ended March 31, 2004

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### NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### Basis of Presentation – Continued

##### ACCOUNT GROUPS

#### General Fixed Assets Account Group

This Account Group presents the fixed assets of the Township utilized in its general operations (nonproprietary fixed assets).

Fixed assets used in the general operation of the Township are recorded as expenditures when purchased and are accounted for in the General Fixed Assets Account Group. No depreciation is recorded for these general fixed assets. Infrastructure assets, including roads, bridges, sanitary sewers, drains, curbs, and gutters are not capitalized.

#### Basis of Accounting

The accrual basis of accounting is used by the Proprietary Funds, Pension Trust Funds, and Nonexpendable Trust Funds. The modified-accrual basis of accounting is used by all Governmental Funds, Agency Funds and Expendable Trust Funds. Revenue and other sources are recognized in the accounting period in which they become susceptible to accrual – that is when they become both measurable and available to finance expenditures of the fiscal period. Expenditures are recognized when the related liability is incurred. Modifications from the accrual basis are as follows:

- a. Property tax revenue should be recognized in accordance with MCGAA Statement 3:

Properties are assessed as of December 31 and their related property taxes are billed and lienied on December 1 of the following year. These taxes are due on February 14 with the final collection date of February 28 before they are added to the county delinquent tax rolls.

- b. Interest income on special assessments receivable is not accrued until its due date.
- c. Interest expense on bonded indebtedness and other long-term debt is not accrued until its due date.
- d. Payments for inventoriable types of supplies are recorded as expenditures at the time of purchase.
- e. Normally, expenditures are not divided between years by the recording of prepaid expenses.

#### Budgetary Data

The Township follows these procedures in establishing the budgetary data reflected in the financial statements:

1. At the Board meeting in March, the Supervisor submits to the Township Board a proposed operating budget for the fiscal year commencing the following April 1. The operating budget includes proposed expenditures for the General and Special Revenue Funds.
2. Public hearings are conducted at the Township Hall to obtain taxpayer comments.
3. Prior to March 31, the budget is legally enacted on a departmental (activity) basis through passage of a resolution.
4. Budget appropriations lapse at year-end except for approved contracts and certain federal grants, which are appropriated on a contract (grant) or entitlement-length basis.

## Monroe Township – Newaygo County, Michigan

Notes to Financial Statements - continued

For the Year Ended March 31, 2004

### NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### Current Taxes

The 2003 taxable valuation of Monroe Township totaled \$8,010,741, on which ad valorem taxes levied consisted of .8945 mills for Monroe Township operating purposes, 1.4280 mills for fire protection, .2379 mills for cemetery, .3569 mills for Township hall and .9520 mills for roads. These amounts are recognized in the respective General Fund and Special Revenue Funds.

#### Total Column on Combined Statements – Overview

The total column on the Combined Statements is captioned “Memorandum Only” to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation because interfund eliminations have not been made in the aggregation of this data.

### NOTE B – DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS

#### Assets and Liabilities

##### 1. Changes in General Fixed Assets

	Balance 4/1/2003	Additions	Deletions	Balance 3/31/2004
Land	\$ 300	\$ 0	\$ 0	\$ 300
Building - Township Hall	25,931	0	0	25,931
Building - Cemetery	481	0	0	481
Office Equipment	4,224	0	0	4,224
Machinery & Equipment	2,562	0	0	2,562
Voting Booth	184	0	0	184
	<u>\$ 33,682</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 33,682</u>

### NOTE C – BALANCE SHEET – CASH AND INVESTMENTS

Deposits are carried at cost. Deposits are in one financial institution in the name of Monroe Township. Michigan Compiled Laws, Section 129.91, authorizes Monroe Township to deposit and invest in the accounts of Federally insured banks, credit unions, and savings and loan associations. Investments can also be made in bonds, securities and other obligations of the United States, or an agency or instrumentality of the United States; certificates of deposit, savings accounts, deposit accounts or depository receipts of a financial institution; repurchase agreements consisting of bonds, securities and other obligations of the United States or an agency or instrumentality of the United States; bankers' acceptance of United States banks; commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services which mature not more than 270 days after the date of purchase; or Michigan obligations or any of its political subdivisions that at the time of purchase are rated as investment grade by not less than one standard rating service. Michigan law prohibits security in the form of collateral, surety bonds, or other forms for the deposit of public money. Attorney General's Opinion No. 6168 states that public funds may not be deposited in financial institutions located in states other than Michigan, unless the bank has a branch office located in Michigan. The Monroe Township deposits are in accordance with statutory authority.

# Monroe Township – Newaygo County, Michigan

Notes to Financial Statements - continued

For the Year Ended March 31, 2004

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The Governmental Accounting Standards Board (GASB) Statement No. 3 risk disclosure for deposits at year-end are as follows:

	<u>Bank Balance</u>	
<u>Deposits</u>		<u>Primary</u>
		<u>Government</u>
Insured (FDIC)	\$	100,000
Uninsured		8,986
	\$	<u>108,986</u>

At year-end, the balance sheet carrying amount of deposits was \$107,178.

## NOTE D – RISK FINANCING

Monroe Township is exposed to various risks of loss related to theft of, damage to, and the destruction of assets; errors and omissions; injuries to employees; liability; and natural disasters. These risks are covered by insurance purchased from independent third parties. Settled claims for these risks have not exceeded insurance coverage for the past two years.

***COMBINING AND INDIVIDUAL FUND  
FINANCIAL STATEMENTS***

Monroe Township – Newaygo County, Michigan  
Special Revenue Funds  
Combining Balance Sheet  
March 31, 2004

	<u>Fire Fund</u>	<u>Cemetery Fund</u>	<u>Townhall Fund</u>	<u>Road Fund</u>	<u>Totals</u>
ASSETS					
Cash in Bank - Checking	\$ 28,068	\$ 4,315	\$ 4,165	\$ 17,913	\$ 54,461
Due from Newaygo County	1,536	255	384	1,024	3,199
Total assets	<u>\$ 29,604</u>	<u>\$ 4,570</u>	<u>\$ 4,549</u>	<u>\$ 18,937</u>	<u>\$ 57,660</u>
LIABILITIES AND FUND EQUITY					
Fund Balance	<u>\$ 29,604</u>	<u>\$ 4,570</u>	<u>\$ 4,549</u>	<u>\$ 18,937</u>	<u>\$ 57,660</u>

# Monroe Township – Newaygo County, Michigan

## Special Revenue Funds

### Combining Statement of Revenues, Expenditures and Changes in Fund Balance For the Year Ended March 31, 2004

	<u>Fire Fund</u>	<u>Cemetery Fund</u>	<u>Townhall Fund</u>	<u>Road Fund</u>	<u>Totals</u>
<b>REVENUES</b>					
Taxes	\$ 11,437	\$ 1,903	\$ 2,857	\$ 7,624	\$ 23,821
Charges for Service	0	2,000	0	0	2,000
Other Revenue	0	0	926	0	926
Total revenues	11,437	3,903	3,783	7,624	26,747
<b>EXPENDITURES</b>					
General Government	0	1,800	4,390	0	6,190
Public Safety	11,005	0	0	0	11,005
Public Works	0	0	0	5,400	5,400
Total expenditures	11,005	1,800	4,390	5,400	22,595
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	432	2,103	(607)	2,224	4,152
<b>FUND BALANCE - April 1, 2003</b>	29,172	2,467	5,156	16,713	53,508
<b>FUND BALANCE - March 31, 2004</b>	<u>\$ 29,604</u>	<u>\$ 4,570</u>	<u>\$ 4,549</u>	<u>\$ 18,937</u>	<u>\$ 57,660</u>

# Monroe Township – Newaygo County, Michigan

## Fire Fund

### Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual For the Year Ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Taxes			
Current property tax	\$ 12,000	\$ 11,437	\$ (563)
EXPENDITURES			
Public Safety			
Fire department			
Contracted services	12,000	11,005	995
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	0	432	432
FUND BALANCE - April 1, 2003	29,172	29,172	0
FUND BALANCE - March 31, 2004	<u>\$ 29,172</u>	<u>\$ 29,604</u>	<u>\$ 432</u>



# Monroe Township – Newaygo County, Michigan

## Cemetery Fund

### Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual For the Year Ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Taxes			
Current property tax	\$ 2,232	\$ 1,903	\$ (329)
Charges for Service			
Cemetery lot sales	0	2,000	2,000
Total revenues	<u>2,232</u>	<u>3,903</u>	<u>1,671</u>
EXPENDITURES			
General Government			
Cemetery			
Contracted services	<u>2,232</u>	<u>1,800</u>	<u>432</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	0	2,103	2,103
FUND BALANCE - April 1, 2003	2,467	2,467	0
FUND BALANCE - March 31, 2004	<u>\$ 2,467</u>	<u>\$ 4,570</u>	<u>\$ 2,103</u>

# Monroe Township – Newaygo County, Michigan

## Townhall Fund

### Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual For the Year Ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$ 4,804	\$ 2,857	\$ (1,947)
Current property tax			
Other Revenue			
Other	0	926	926
Total revenues	<u>4,804</u>	<u>3,783</u>	<u>(1,021)</u>
EXPENDITURES			
General Government			
Building and grounds			
Miscellaneous		885	
Contracted services		175	
Utilities		1,780	
Repair and maintenance		1,550	
Total expenditures	<u>5,000</u>	<u>4,390</u>	<u>610</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(196)	(607)	(411)
FUND BALANCE - April 1, 2003	5,156	5,156	0
FUND BALANCE - March 31, 2004	<u>\$ 4,960</u>	<u>\$ 4,549</u>	<u>\$ (411)</u>

Monroe Township – Newaygo County, Michigan

Road Fund

Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual  
For the Year Ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Taxes			
Current property tax	\$ 5,700	\$ 7,624	\$ 1,924
EXPENDITURES			
Public Works			
Highways, streets and bridges			
Contracted services	5,700	5,400	300
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	0	2,224	2,224
FUND BALANCE - April 1, 2003	16,713	16,713	0
FUND BALANCE - March 31, 2004	<u>\$ 16,713</u>	<u>\$ 18,937</u>	<u>\$ 2,224</u>

***SUPPLEMENTARY FINANCIAL DATA***

# Monroe Township – Newaygo County, Michigan

## General Fund

### Detail Schedule of Actual Expenditures

For the Year Ended March 31, 2004

#### LEGISLATIVE

Township Board	
Salaries and wages	\$ 2,111
Office supplies	55
Printing and publishing	384
Memberships and dues	276
Total legislative	<u>\$ 2,826</u>

#### GENERAL GOVERNMENT

Supervisor	
Salaries and wages	\$ 3,300
Elections	
Salaries and wages	550
Assessor	
Contracted services	3,000
Clerk	
Salaries and wages	3,500
Office supplies	491
Contracted services	300
Travel	363
Miscellaneous	50
Total clerk	<u>4,704</u>
Board of review	
Salaries and wages	600
Treasurer	
Salaries and wages	3,550
Office supplies	673
Contract services	1,432
Travel	373
Total treasurer	<u>6,028</u>
Total general government	<u>\$ 18,182</u>

#### PUBLIC SAFETY

Zoning and Planning	
Salaries and wages	\$ 1,690
Office supplies	57
Total public safety	<u>\$ 1,747</u>

# Monroe Township – Newaygo County, Michigan

General Fund

Detail Schedule of Actual Expenditures- Continued

For the Year Ended March 31, 2004

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## OTHER FUNCTIONS

Insurance and Bonds	
Insurance	\$ 4,659
Payroll Taxes	
Social security and medicare	1,128
Total other functions	<u>\$ 5,787</u>

# Monroe Township – Newaygo County, Michigan

Current Tax Fund

Statement of 2003 Tax Levy – Receipts and Disbursements

For the Year Ended March 31, 2004

	Rate in Mills	Taxable Valuation	2003 Tax Levy		Taxes		Total Tax Collected
			Taxes Levied		Returned Delinquent		
Newaygo County	7.0684	\$ 8,010,741	\$ 56,613	\$	7,605	\$	49,008
Monroe Township	3.8693	8,010,741	30,984		4,507		26,477
Big Jackson Schools	2.8466	968,345	2,756		799		1,957
Building & Site	16.2958	408,132	5,948		924		5,024
Operating							
White Cloud Schools	8.2500	6,074,398	50,112		5,761		44,351
Debt	18.0000	3,938,077	70,884		6,688		64,196
Operating							
Big Rapids Schools	7.0000	967,998	6,776		679		6,097
Debt	18.0000	411,311	7,403		1,009		6,394
Operating							
Mecosta-Osceola ISD	4.1080	967,998	3,976		398		3,578
Newaygo County ISD	5.7541	7,042,743	40,518		5,633		34,885
State Education	5.0000	8,010,741	40,053		3,685		36,368
White Cloud Library	1.3902	6,074,398	8,442		971		7,471
			\$ 324,465	\$	38,659	\$	285,806
Receipts							
Total taxes collected						\$	285,806
Collection fees						\$	3,240
Total receipts						\$	289,046
Disbursements							
Newaygo County (includes S.E.T.)						\$	85,375
Monroe Township							26,822
Big Jackson Schools							6,980
White Cloud Schools							108,548
Big Rapids Schools							12,491
Mecosta-Osceola ISD							3,577
Newaygo County ISD							34,885
White Cloud Library							7,472
Total disbursements						\$	286,150

**TERRY KIRKPATRICK, CPA, P.C.**

CERTIFIED PUBLIC ACCOUNTANTS

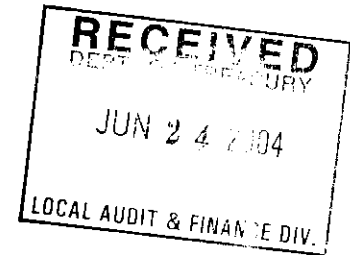
211 MAPLE STREET

P.O. BOX 817

BIG RAPIDS, MI 49307-0817

(231) 796-3332

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May 25, 2004

Members of the Township Board  
Monroe Township  
Newaygo County, MI

I recently completed my audit of the general purpose financial statements of Monroe Township for the year ended March 31, 2004. During my audit, I had an opportunity to test internal controls and to observe the accounting and financial procedures and many of the general management practices of the Township. Based upon these tests and observations, there are several matters that I specifically want to call to your attention.

**BUDGET**

The Township has a general fund and four special revenue funds all of which must be budgeted annually. The budget format currently being used by the Township is to make one budget that in some ways encompasses all of these funds, although not adequately.

The Township should adopt a separate budget for each of these five funds.

In addition, any transfers that are to be made between these funds must also be budgeted. In one fund the transfer will be on the transfer in side, while the other fund will budget the transfer out side.

**CLERK'S BOOKS ARE MUCH BETTER**

The Clerk's books were much better than two years ago. She still needs to learn how the general ledger is properly used. The way it is being used now by her is doubling up on her work. The general ledger is a monthly summary of the detailed receipts and disbursements journals, there is no need to list every receipt and check in the general ledger also. I have discussed this need with the Clerk and if she needs additional assistance in learning how to use it, I can assist her if so desired. Proper use of the general ledger will provide a great deal more information to the Clerk and the Board every month.

**OTHER MATTERS**

I have enjoyed working with your staff. Their competence and assistance were instrumental in my timely completion of the audit.

Two copies of the audit report, the auditing procedures report, and this letter should be mailed to the Michigan Department of Treasury, Local Audit Division. A pre-addressed envelope is being provided for your convenience.

If you have any questions regarding this letter or the audit, please do not hesitate to contact me.

*Terry Kirkpatrick, CPA, P.C.*